

# AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

March 23, 2011





These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

#### **Grants**

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

#### **Grant Announcements**

Strengthening Public Health Infrastructure for Improved Health Outcomes. "National Public Health Improvement Initiative". §4002. Announced 3/22/11. Supplement to original award. 76 awards ranging from \$250,000 to \$1,093,164, with \$34,170,000 in total funding, will be given to public health agencies who are current recipients of this project grant. Proposals due 5/2/11.

The announcement can be viewed at: Grants.gov.

Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Building and Strengthening Epidemiology, Laboratory and Health Information Systems Capacity in State and Local Health Departments. §4002, §4304. Announced 3/18/11. Second round funding for Epidemiology and Laboratory Capacity for Infectious Diseases award recipients. In FY2011, funding is to sustain activities initiated by 2010 awards, advance implementation of electronic laboratory reporting, build prevention and control capacity in healthcare associated infections, and conduct surveillance and effectiveness activities for vaccine preventable diseases. 58 awards totaling \$47 million will be granted to continue funding to original award recipients. Proposals due 5/2/11.

The announcement can be viewed at: <u>Grants.gov</u>.

Capacity Building Assistance to Strengthen Public Health Infrastructure and Performance. §4002. Announced 3/18/11. Non-competitive 12-month cost supplement extension to grantees of the original grant, including public health associations. Funding ranging from \$60,000 to \$700,000 will be awarded in three parts to various public health organizations. Proposals due 4/19/11.

The announcement can be viewed at: Grants.gov.

### **Grant Activity**

The **New England States Collaborative Insurance Exchange Systems project**, consisting of a consortium of the six New England states led by Massachusetts that received a \$35.5 million, 2 year "Early Innovator" grant from Health and Human Services (HHS), has developed a project website. The grant project, funded under §1311 of the ACA, will develop the information technology components that states can utilize to establish state exchanges. UMASS is supporting the states in this effort. Learn more at the project website at: http://www.nescies.org/

#### Guidance

**3/21/11** HHS released the **National Strategy for Quality Improvement in Health Care under** §3011 of the ACA. The National Quality Strategy is a strategic plan for improving the delivery of health care services, achieving better patient outcomes, and improving the health of the U.S. population.

Read the Federal Register notice at: <a href="http://www.ahrq.gov/workingforquality/">http://www.ahrq.gov/workingforquality/</a>
Read the HHS press release at: <a href="http://www.hhs.gov/news/press/2011pres/03/20110321a.html">http://www.hhs.gov/news/press/2011pres/03/20110321a.html</a>

**3/18/11** HHS issued final rules on **Civil Money Penalties for Nursing Homes** under §6111 of the ACA. The rule revises and expands current Medicare/Medicaid regulations regarding imposition and collection of civil money penalties on nursing homes by the Centers for Medicare and Medicaid Services (CMS). Comments are due 5/16/11.

Read the Federal Register notice at: <a href="http://edocket.access.gpo.gov/2011/pdf/2011-6144.pdf">http://edocket.access.gpo.gov/2011/pdf/2011-6144.pdf</a>

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**3/18/11** HHS and the Departments of Labor and Treasury issued technical guidance (No. 2011-01) under §2701 through §2719A of the ACA, **Extension of Non-Enforcement Period Relating to Certain Interim Procedures for Internal Claims and Appeals**. The guidance modifies and extends the enforcement grace period to 1/1/12 for compliance with certain new provisions with respect to internal claims and appeals as previously set in interim regulations released in July, 2010.

For more information, read the DOL guidance at: <a href="http://www.dol.gov/ebsa/newsroom/tr11-01.html">http://www.dol.gov/ebsa/newsroom/tr11-01.html</a>

**3/14/11** The Departments of Health and Human Services and Treasury issued a proposed rule outlining the **steps necessary for a state to apply for a State Innovation Waiver** in 2017 as provided for under §1332 of the ACA.

Note that in last week's Update, we incorrectly reported that under the proposed rule a state could apply early for waiver.

The rule describes the criteria a state must meet in order to apply for a waiver in 2014 as laid out in §1332 if the ACA, including providing coverage that is at least as comprehensive and

affordable to as many residents as the coverage that would be offered under new state-run health insurance exchanges and does not increase the federal deficit. The rule describes the application, review and reporting process for states as well as outlines how public notice should occur. Comments are due 5/13/11.

View the regulation at: http://www.qpo.gov/fdsys/pkg/FR-2011-03-14/pdf/2011-5583.pdf

Note that the guidance listed in this section dates back to 3/14/11. Prior guidance can be viewed at <a href="https://www.healthcare.gov">www.healthcare.gov</a>

#### News

**3/22/11** HHS released a new report about how the **ACA** is lowering costs and improving care for people with Medicare. In Massachusetts, 70,328 Medicare beneficiaries have received a one time, tax free \$250 rebate to help pay for prescriptions in the 'donut hole" coverage gap. In 2011, beneficiaries will receive a 50 percent discount for covered brand-name prescriptions in the donut hole.

Read the report at: <a href="http://www.healthcare.gov/center/reports/medicare03222011a.html">http://www.healthcare.gov/center/reports/medicare03222011a.html</a>
Read the blog post by CMS Administrator Don Berwick at: <a href="http://www.whitehouse.gov/blog/2011/03/22/better-benefits-better-health-seniors">http://www.whitehouse.gov/blog/2011/03/22/better-benefits-better-health-seniors</a>
Read the press release at: <a href="http://www.hhs.gov/news/press/2011pres/03/20110322a.html">http://www.hhs.gov/news/press/2011pres/03/20110322a.html</a>

3/22/11 Iowa became the 8th and most recent state to apply for a state waiver of the medical loss ratio (MLR) rules that require insurers to spend at least 80% on medical care. Iowa joins 7 other states that have applied for waivers including North Dakota, Georgia, Nevada, Kentucky, New Hampshire, Florida and Maine. Maine was granted a waiver on 3/8/11. For more information on states and the MLR requirements visit the Center for Consumer Information and Insurance Oversight (CCIIO) website at: <a href="http://cciio.cms.gov/programs/marketreforms/">http://cciio.cms.gov/programs/marketreforms/</a>

**3/21/11** the **Center for Medicare and Medicaid Innovation** (the Innovation Center) relaunched its website: <a href="Innovations.cms.gov">Innovations.cms.gov</a>. Along with providing information about the Center's mission and operating process, the website provides ways for the Center to gather new ideas to improve the healthcare system for Medicare, Medicaid and Children's Health Insurance Program (CHIP) beneficiaries.

**3/21/11** the **Small Business Administration** released a memo to help businesses understand their eligibility for the **ACA's tax credit**.

Read the memo at: <a href="http://www.sba.gov/administrator/7608/14873">http://www.sba.gov/administrator/7608/14873</a>

HHS released a new flyer for small businesses available at: Healthcare

Read the HHS blog at: http://www.healthcare.gov/news/blog/Employers03212011a.html

3/16/11 HHS released a new report showing that in less than two months, more than 150,000 seniors and others with Medicare have received an annual wellness visit. As a result of the ACA, annual wellness visits, along with many other recommended services and preventive benefits covered by Medicare without a fee when obtained performed by a participating health care professional. The report also shows that this enhanced preventive benefits coverage will lower costs, including lowering Medigap premiums for employers, states and people with Medicare. Many more people with Medicare are expected to receive annual wellness visits and other recommended preventive services as a result of the ACA.

Read the report at: <a href="http://www.healthcare.gov/center/reports/prevention03162011a.html">http://www.healthcare.gov/center/reports/prevention03162011a.html</a>
3/16/11 the National Association of Insurance Commissioners (NAIC) has drafted 3 white papers on Exchanges under §1321 of the ACA which will be considered at the spring meeting this week. HHS is expected to announce exchange regulations this spring and may again look to the NAIC for draft material. Comments are being accepted by email to <a href="matthew@naic.org">matthew@naic.org</a>.

3/16/11 Adverse Selection. View the paper at: NAIC

3/7/11 Financing the Exchange. Comment period has closed. View the paper at: NAIC 3/7/11 Comparative Roles of Navigators and Producers in an Exchange. Comment period has closed. Update: The Health Insurance and Managed Care (B) Committee met by conference call June 22, 2011. During this meeting, the Committee adopted this white paper.

View the paper at NAIC:

http://www.naic.org/documents/committees\_b\_110622\_navigator\_producer.pdf

**3/15/11** The Medicaid and CHIP Payment and Access Commission (MACPAC) released their first report to Congress, providing state-specific data about the two federal-state health programs and recaps the history, structure and issues facing Medicaid and CHIP and lays the groundwork for future advice to Congress. MACPAC is tasked with reviewing state and federal Medicaid and CHIP access and payment policies and making recommendations to Congress, the Secretary of HHS, and the states on a wide range of issues affecting Medicaid and CHIP populations, including health care reform, as expanded by the ACA. Read the report at: http://www.macpac.gov/reports

**3/14/11** three clinicians have been named to lead the **United States Preventive Services Task Force**, a group established under the ACA to make recommendations in setting preventive care coverage limits. The Task Force is an independent panel that makes recommendations to primary care clinicians about preventive services such as screenings, counseling or preventive medicine that may benefit patients before they display signs or symptoms of a condition. The three clinicians are: Virginia Moyer, Albert Siu and Michael LeFevre.

For more information, read the press release at: http://www.ahrq.gov/news/press/pr2011/tfmemb11pr.htm

#### **EOHHS News**

The Affordable Care Act turns one! Just last year, on March 23, 2010, President Obama signed the Patient Protection and Affordable Care Act into law. Read Secretary Bigby's blog post marking the anniversary and celebrating the benefits that the law's passage has brought to Americans and residents of the Commonwealth:

http://publichealth.blog.state.ma.us/2011/03/celebrating-the-passage-of-the-affordable-care-act-and-massachusetts-role-shaping-it-.html

## **Upcoming Events**

Upcoming Money Follows the Person Stakeholder Meeting

Friday, March 25, 2011 from 2:30 pm- 4:00 pm Transportation Building, 10 Park Plaza Rooms 2 and 3, Boston

**Next Quarterly Stakeholder Meeting**Patient Protection and Affordable Care Act Implementation meeting Tuesday June 21, 2011 from 3:00-4:00 P.M. 1 Ashburton Place, 21<sup>st</sup> floor, Boston

Don't forget to add our website to your favorites: <a href="www.mass.gov/nationalhealthreform">www.mass.gov/nationalhealthreform</a>